BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA DOCKET NO. 2016-384-S

Application of Moore Sewer, Inc. for		
Adjustment of Rates and Charges and) APPLICATION	
Modification to Certain Terms and) APPLI	CATION
Conditions for the Provision of)	
Collection-Only Sewer Service)	

Moore Sewer, Inc., ("Moore Sewer", "Applicant" or the "Company") presents the following Application to that the Public Service Commission of South Carolina ("Commission"), and requests that the Commission grant Applicant the relief sought herein. Moore Sewer submits the following information and Exhibits in support of its application.

BACKGROUND

- 1. Moore Sewer is a corporation in good standing organized and existing under the laws of the State of South Carolina.
- 2. The Applicant is a "public utility" as that term is defined in S.C. Code Annotated Section 58-5-10(3), providing sewer collection service to the public for compensation in certain areas of South Carolina, specifically the Linville Hills Subdivision and the Madera Subdivision in Spartanburg County.
- 3. The Applicant provides service pursuant to the rates approved by the Commission by Order No. 2003-477 issued in Docket No. 2003-41-S.

4. Correspondence or communications regarding this application should be addressed to:

John J. Pringle, Jr., Esquire Justine Tate, Esquire Adams and Reese, LLP 1501 Main Street, 5th Floor Columbia, SC 29201 (803) 779-0066 (telephone) (803) 799-8479 (facsimile) jack.pringle@arlaw.com justine.tate@arlaw.com

5. The contact person regarding ongoing operations of the Applicant is:

William Teichman Moore Sewer, Inc. P.O. Box 2753 Spartanburg, SC 29304 (864) 582-3335 (telephone) (864) 582-5405 (facsimile)

- 6. The Linville Hills Subdivision is located in Moore, South Carolina, in Spartanburg County. The Linville Hills sewerage system includes 11,000 feet of six (6) and (8) inch drain pipe, approximately 300 taps, and approximately thirty-four (34) to thirty-six (36) manholes. The Company serves approximately 275 customers in the Linville Hills Subdivision, all of which are residential.
- 7. The Madera Village Subdivision is also located in Spartanburg County, and Moore Sewer's sewerage system therein includes twenty-five (25) manholes, 5,675 feet of eight-inch drainpipe, and approximately ninety (90) taps. The Company serves approximately 185 customers in the Madera Subdivision, all of which are residential.
- 8. The Company expects to maintain the approximate number of customers it now serves during the next twelve months.

REQUEST FOR RATE RELIEF AND

APPROVAL OF RATE SCHEDULE MODIFICATIONS

- 9. Pursuant to S.C. Code Ann. §§ 58-5-240 and 10 S.C. Code Ann. Regs. 103-512.4, Moore Sewer requests that the Commission approve the monthly sewerage collection service charges set forth in the rate schedule attached hereto and incorporated by reference as **Exhibit A**.
- 10. Pursuant to 10 S.C. Code Ann. Regs. 103-503, the Applicant also proposes to modify certain non-recurring charges, as set forth in **Exhibit A**.
- deposit from its customers. Accordingly, Applicant requests that the Commission waive only that part of 10 S.C. Code Ann. Regs. 103-531.1(A) that limits the "maximum deposit" to "an amount equal to an estimated two (2) months (60 days) bill for a new customer" or "an amount equal to the total actual bills of the highest two (2) consecutive months based on the experience of the preceding twelve (12) months" As the Applicant will demonstrate, a flat rate deposit in this amount will assist in minimizing the negative financial consequences of non-payment while ensuring that customers continue to receive reliable service.

SUPPORTING DOCUMENTATION

- 12. Applicant proposes a test year of January 1, 2016 to December 31, 2016 and has prepared certain financial statements relating to that time period in support of the Application. These statements are attached hereto as **Exhibit B** and incorporated herein by reference. These financial statements include the following:
 - a. Balance Sheet (Schedule A);
 - b. Current and pro forma income and expense statements (Schedule B);
 - c. Schedule of fixed assets and depreciation (Schedule C); and
 - d. Computation of Interest Expense (Schedule D).
- 13. Attached hereto and incorporated herein by this reference as **Exhibit C** is the most recent letter from the South Carolina Department of Health and Environmental Control ("DHEC") with regard to Applicant's facilities.
- 14. Attached hereto and incorporated herein by reference as **Exhibit D** is the Company's current customer bill form.
- 15. Attached hereto and incorporated by reference herein as **Exhibit E** is evidence of the Applicant's most recent Gross Receipts Tax filing.
- 16. The Company's Annual Report for the most recent required year (2016) is on file with the Commission.
- 17. There is on file with this Commission a performance bond given to satisfy the requirements of S.C. Code Ann. § 58-5-720.
- 18. A map depicting Moore Sewer's Linville Hills current service area is on file with the Commission. Attached hereto as **Exhibit F** is a map depicting Moore Sewer's current Madera service area.

19. The financial statements, other document submitted herewith, and the references to documents on file with the Commission are offered to comply with Commission Rule 103-512.4 and to provide information useful to the Commission in considering the reasonableness of the proposed rate schedule.

OVERVIEW AND JUSTIFICATION

20. Applicant submits that rate relief is justified because rate relief was last granted to Moore Sewer on August 5, 2003. The proposed rate increase is necessary for the Company to provide reasonable and adequate service to its customers, cover its expenses, be permitted to earn a reasonable return on its investment, and attract capital for future improvements. The rates proposed are necessary to allow the Applicant to comply fully with the standards and regulations set by DHEC and other environmental regulatory authorities. The proposed rates will preserve the financial integrity of the Applicant, promote continued investment in and maintenance of its facilities, and thereby permit Applicant to continue providing reliable and high-quality sewer collection services.

WHEREFORE, having fully set forth its Application, Moore Sewer, Inc. requests that the Commission approve the rates proposed and grant Applicant such other and further relief as is just and proper.

Respectfully submitted,

ADAMS AND REESE, LLP

s/John J. Pringle, Jr.
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December 20, 2017 Columbia, South Carolina

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This is to certify that I have caused to be served this day the **Application** on behalf of Moore Sewer, Inc. via electronic mail service as follows:

Andrew Bateman <u>abateman@regstaff.sc.gov</u>

Jeff Nelson jnelson@regstaff.sc.gov

s/John J. Pringle, Jr.

December 20, 2017 Columbia, South Carolina